

Message Text

LIMITED OFFICIAL USE

PAGE 01 SANTIA 03811 251839Z

61

ACTION ARA-20

INFO OCT-01 ADP-00 CIAE-00 PM-07 H-03 INR-10 L-03 NSAE-00

NSC-10 PA-03 RSC-01 PRS-01 SS-15 USIA-15 AID-20 OMB-01

COME-00 EB-11 LAB-06 SIL-01 OPR-02 RSR-01 /131 W

----- 056027

P 251815Z AUG 73

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC PRIORITY 5307

INFO DOD/DIA

USCINCSO

LIMITED OFFICIAL USE SANTIAGO 3811

EO 11652: N/A

TAGS: CI, PINT, PINS, ELAB, MILI

SUBJ: CONTINUED SPECULATION ON NEW CABINET

REF: SANTIAGO 3809

1. SUMMARY. SPECULATION IS INTENSE ON ROLE MILITARY WILL PLAY IN NEW CABINET EXPECTED NEXT WEEK. SNAG IN SETTLEMENT OF TRANSPORTATION STRIKE APPEARS TO HAVE DEVELOPED. THREE SEPARATE INCIDENTS, ALL RELATED TO CENTRAL BANK, HOLD POTENTIAL FOR MAJOR SCANDAL. END SUMMARY.

2. SECGEN GOVT FERNANDO FLORES CONFIRMED THAT NEW CABINET WILL NOT BE ANNOUNCED UNTIL MONDAY "AT THE EARLIEST". ATER REPORTS SPECULATE DELAY COULD BE SEVERAL DAYS LONGER. PRESIDENT, UP POLITICIANS, AND MILITARY OFFICERS ARE HOLDING NUMEROUS MEETINGS, WITH KEY TOPIC BEING WHAT ROLE, IF ANY, MILITARY WILL PLAY IN GOVT. PRO-GOVT. ORGANIZATIONS, MEANWHILE, CONTINUE TO ISSUE STATEMENTS PRAISING GEN PRATS, STRESSING "MORAL EXAMPLE" HE HAS PROVIDED TO CHILE BY HIS "UNSELFISH ACT OF PATRIOTISM". CUT ANNOUNCED PRO-PRATS RALLY AUG 28. UP MEDIA ARE EMPHASIZING ALLEGED DANGER OF OPPOSITION-ENGINEERED COUP, POINTING TO YESTERDAY'S VIOLENCE (REFTEL) AND CHAMBER OF DEPUTIES RESOLUTION OF AUG 22 (SANTIAGO 3768) TO BITTRESSTHEIR ARGUMENT.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 SANTIA 03811 251839Z

3. SETTLEMENT OF TRANSPORTATION STRIKE APPARENTLY SNAGGED OVER ARREST OF TRUCK STRIKE LEADER IN VALPARAISO, LEADING TRANSPORTATION STRIKE NEGOTIATIONS TO SUSPEND TALKS WITH GOVT. MINPUBLIC WORKS GEN MAGLIOCCHETTI PUBLISHED DRAFT AGREEMENT WITH STRIKERS AND WARNED THAT THEY MUST ACCEPT IT BY NOON TODAY OR GOVT WILL NO LONGER NECESSARILY FEEL BOUND BY ITS TERMS. MEANWHILE MERCHANTS AND SOME OTHER GUILDS IN SEVERAL SOUTHERN PROVINCES HAVE IGNORED ORDERS FROM THEIR NATIONAL LEADERS TO RETURN TO WORK AND ARE MAINTAINING SHUTDOWN WHICH BEGAN AUG 21. BUS DRIVERS AND SOME OTHER GROUPS ARE ALSO ON STRIKE IN VALPARAISO PROVINCE. CONFEDERATION OF PROFESSIONAL ORGANIZATIONS (CUPROCH) ISSUED STATEMENT DEMANDING THAT ALLENDE EITHER "RECTIFY" GOVT POLICY BY TURNING OVER EFFECTIVE POWER TO MILITARY OR RESIGN; ENGINEERS ASSN. SIMPLY CALLED FOR HIS RESIGNATION. TERRORIST INCIDENTS CONTINUED, WITH VALPARAISO AND TALCA AS MOST RECENT FOCII.

4. SENATE FINANCE COMMITTEE MET AUG 24 WITH MINFINANCE ADM MONTERO TO PRESENT HIM WITH PURPORTED EVIDENCE OF CENTRAL BANK HICANERY ALLEGEDLY INVOLVING MANNER IN WHICH DOLLAR TRANSACTIONS HAVE BEEN VOUCHERED, THREATENING PUBLIC DISCLOSURE NEXT WEEK UNLESS SITUATION RECTIFIED. OPPOSITION PRESS AUG 25 FEATURED STORY REPORTING ARRIVAL IN MIAMI OF TWO CENTRAL BANK OFFICIALS, MIGUEL MUNOZ AND MARCIAL GONGALEZ, WITH CURRENCY WORTH SOME US \$1.5 MILLION. STORIES NOTED USUAL METHOD OF PAYMENT TRANSFERS IS NOT HAND-CARRYING. IN STILL A THIRD INCIDENT, PDC M LA PRENSA REPORTED THAT AIR FORCE AUG 22, ACTING ON A TIP, SEARCHED BAGGAGE DESTINED FOR OUTGOING FLIGHTS AT PUDAHUEL AIRPORT AND FOUND TWO SUITCASES CONTAINING \$5000 THOUSAND DOLLARS EACH AND NO OTHER IDENTIFYING MARKS. AS SEARCH WAS TAKING PLACE, GUNFIRE BROKE OUT AT FACH BASE LOCATED IN CORDON CERRILLOS AREA IN WHAT LA PRENSA TERMED UNSUCCESSFUL ATTEMPT TO INDUCE FACH UNIT TO RETURN HURRIEDLY TO ITS BASE. ATTACKERS WERE REPELLED AT LOS CERRILLOS AND FACH REMAINED IN POSSESSION OF SUITCASES.
DAVIS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 25 AUG 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: kelleyw0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973SANTIA03811
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: SANTIAGO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730815/aaaaakse.tel
Line Count: 97
Locator: TEXT ON-LINE
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: SANTIAGO 3809
Review Action: RELEASED, APPROVED
Review Authority: kelleyw0
Review Comment: n/a
Review Content Flags:
Review Date: 31 OCT 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <31-Oct-2001 by kelleyw0>; APPROVED <31-Oct-2001 by kelleyw0>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CONTINUED SPECULATION ON NEW CABINET
TAGS: PINT, PINS, ELAB, MILI, CI
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005